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6 Attorneys for Complainant

7 **BEFORE THE**  
**CALIFORNIA BOARD OF ACCOUNTANCY**  
8 **DEPARTMENT OF CONSUMER AFFAIRS**  
9 **STATE OF CALIFORNIA**

10 In the Matter of the Accusation Against:

11 BURLEIGH JOHN SKIDMORE  
4482 Via Bendita  
12 Santa Barbara, CA 93110

13 Certified Public Accountant Certificate No.  
32051

14 Respondent.  
15

Case No. AC-2005-33

OAH No. L2005100425

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

16  
17 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the  
18 above-entitled proceedings that the following matters are true:

19 PARTIES

20 1. Carol Sigmann (Complainant) is the Executive Officer of the California  
21 Board of Accountancy. She brought this action solely in her official capacity and is represented  
22 in this matter by Bill Lockyer, Attorney General of the State of California, by Gregory J. Salute,  
23 Deputy Attorney General.

24 2. Respondent Burleigh John Skidmore (Respondent) is representing himself  
25 in this proceeding and has chosen not to exercise his right to be represented by counsel.

26 3. On or about May 8, 1981, the California Board of Accountancy issued  
27 Certified Public Accountant Certificate No. 32051 to Respondent. The Accountant Certificate  
28 was in full force and effect at all times relevant to the charges brought in Accusation No.

1 AC-2005-33 and will expire on June 30, 2007, unless renewed.

2 JURISDICTION

3 4. Accusation No. AC-2005-33 was filed before the California Board of  
4 Accountancy (Board), Department of Consumer Affairs, and is currently pending against  
5 Respondent. The Accusation and all other statutorily required documents were properly served  
6 on Respondent on August 5, 2005. Respondent timely filed his Notice of Defense contesting the  
7 Accusation. A copy of Accusation No. AC-2005-33 is attached as exhibit A and incorporated  
8 herein by reference.

9 ADVISEMENT AND WAIVERS

10 5. Respondent has carefully read, and understands the charges and allegations  
11 in Accusation No. AC-2005-33. Respondent has also carefully read, and understands the effects  
12 of this Stipulated Settlement and Disciplinary Order.

13 6. Respondent is fully aware of his legal rights in this matter, including the  
14 right to a hearing on the charges and allegations in the Accusation; the right to be represented by  
15 counsel at his own expense; the right to confront and cross-examine the witnesses against him;  
16 the right to present evidence and to testify on his own behalf; the right to the issuance of  
17 subpoenas to compel the attendance of witnesses and the production of documents; the right to  
18 reconsideration and court review of an adverse decision; and all other rights accorded by the  
19 California Administrative Procedure Act and other applicable laws.

20 7. Respondent voluntarily, knowingly, and intelligently waives and gives up  
21 each and every right set forth above.

22 CULPABILITY

23 8. For the purposes of resolving the Accusation without the expense and  
24 uncertainty of further proceedings, Respondent while making no personal admissions, agrees that  
25 at a hearing, Complainant could establish a prima facie factual basis for each of the charges  
26 contained in Accusation No. AC-2005-33 and that those charges constitute cause for discipline.  
27 Respondent further agrees that he is estopped from denying that cause exists for discipline on his  
28 Certificate (i.e. license) in any future proceedings before the parties herein and hereby gives up

1 his right to contest that cause for discipline exists based upon those charges.

2 9. Respondent further agrees that his Certified Public Accountant Certificate  
3 is subject to discipline and he agrees to be bound by the Board's imposition of discipline as set  
4 forth in the Disciplinary Order below.

5 CONTINGENCY

6 10. This stipulation shall be subject to approval by the California Board of  
7 Accountancy. Respondent understands and agrees that counsel for Complainant and the staff of  
8 the California Board of Accountancy may communicate directly with the Board regarding this  
9 stipulation and settlement, without notice to or participation by Respondent. By signing the  
10 stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek  
11 to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails  
12 to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary  
13 Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal  
14 action between the parties, and the Board shall not be disqualified from further action by having  
15 considered this matter.

16 11. The parties understand and agree that facsimile copies of this Stipulated  
17 Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same  
18 force and effect as the originals.

19 12. In consideration of the foregoing admissions and stipulations, the parties  
20 agree that the Board may, without further notice or formal proceeding, issue and enter the  
21 following Disciplinary Order:

22 DISCIPLINARY ORDER

23 IT IS HEREBY ORDERED that Certified Public Accountant No. CPA 32051  
24 issued to Respondent Burleigh John Skidmore (Respondent) is revoked. However, the  
25 revocation is stayed and Respondent is placed on probation for three (3) years on the following  
26 terms and conditions.

27 1. **Obey All Laws.** Respondent shall obey all federal, California, other  
28 states' and local laws, including those rules relating to the practice of public accountancy in

1 California.

2                   2.       **Submit Written Reports.** Respondent shall submit, within ten (10) days  
3 of completion of the quarter, written reports to the Board on a form obtained from the Board.  
4 The Respondent shall submit, under penalty of perjury, such other written reports, declarations,  
5 and verification of actions as are required. These declarations shall contain statements relative to  
6 Respondent's compliance with all the terms and conditions of probation. Respondent shall  
7 immediately execute all release of information forms as may be required by the Board or its  
8 representatives.

9                   3.       **Personal Appearances.** Respondent shall, during the period of probation,  
10 appear in person at interviews/meetings as directed by the Board or its designated  
11 representatives, provided such notification is accomplished in a timely manner.

12                   4.       **Comply With Probation.** Respondent shall fully comply with the terms  
13 and conditions of the probation imposed by the Board and shall cooperate fully with  
14 representatives of the Board of Accountancy in its monitoring and investigation of the  
15 Respondent's compliance with probation terms and conditions.

16                   5.       **Practice Investigation.** Respondent shall be subject to, and shall permit,  
17 practice investigation of the Respondent's professional practice. Such a practice investigation  
18 shall be conducted by representatives of the Board, provided notification of such review is  
19 accomplished in a timely manner.

20                   6.       **Comply With Citations.** Respondent shall comply with all final orders  
21 resulting from citations issued by the Board of Accountancy.

22                   7.       **Tolling of Probation For Out-of-State Residence/Practice.** In the event  
23 Respondent should leave California to reside or practice outside this state, Respondent must  
24 notify the Board in writing of the dates of departure and return. Periods of non-California  
25 residency or practice outside the state shall not apply to reduction of the probationary period, or  
26 of any suspension. No obligation imposed herein, including requirements to file written reports,  
27 reimburse the Board costs, or make restitution to consumers, shall be suspended or otherwise  
28 affected by such periods of out-of-state residency or practice except at the written direction of the

1 Board.

2           8.     **Violation of Probation.** If Respondent violates probation in any respect,  
3 the Board, after giving Respondent notice and an opportunity to be heard, may revoke probation  
4 and carry out the disciplinary order that was stayed. If an accusation or a petition to revoke  
5 probation is filed against Respondent during probation, the Board shall have continuing  
6 jurisdiction until the matter is final, and the period of probation shall be extended until the matter  
7 is final.

8           9.     **Completion of Probation.** Upon successful completion of probation,  
9 Respondent's license will be fully restored.

10          10.    **Continuing Education Courses.** Respondent shall complete and provide  
11 proper documentation of sixteen (16) hours of professional education courses in specialized  
12 corporation taxation. The professional education courses shall be completed within a period of  
13 time designated and specified in writing by the Board or its designee, which time frame shall be  
14 incorporated as a condition of this probation. This shall be in addition to continuing education  
15 requirements for re-licensing.

16               Failure to satisfactorily complete the required courses as scheduled or failure to  
17 complete same no later than 100 days prior to the termination of probation shall constitute a  
18 violation of probation.

19          11.    **Active License Status.** Respondent shall at all times maintain an active  
20 license status with the Board, including during any period of suspension. If the license is expired  
21 at the time the Board's decision becomes effective, the license must be renewed within 30 days of  
22 the effective date of the decision.

23          12.    **Cost Reimbursement.** Respondent shall reimburse the Board \$11,000.00  
24 for its investigation and prosecution costs. Payments shall be made quarterly with the final  
25 payment occurring no later than 6 months prior to the termination of probation.

26                               ACCEPTANCE

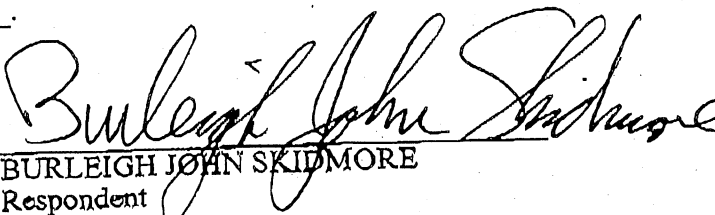
27               I have carefully read the Stipulated Settlement and Disciplinary Order. I  
28 understand the stipulation and the effect it will have on my Certified Public Accountant

MAR-17-2006 14:20

ATTY GENERAL OFFICE

1 Certificate. I enter into this Stipulated Settlement and Disciplinary Order voluntarily,  
2 knowingly, and intelligently, and agree to be bound by the Decision and Order of the California  
3 Board of Accountancy.

4 DATED: 3-17-06

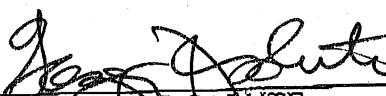
5   
6 BURLEIGH JOHN SKIDMORE  
7 Respondent

8  
9  
10 ENDORSEMENT

11 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
12 submitted for consideration by the California Board of Accountancy of the Department of  
13 Consumer Affairs.

14  
15 DATED: 3/17/06

16 BILL LOCKYER, Attorney General  
17 of the State of California

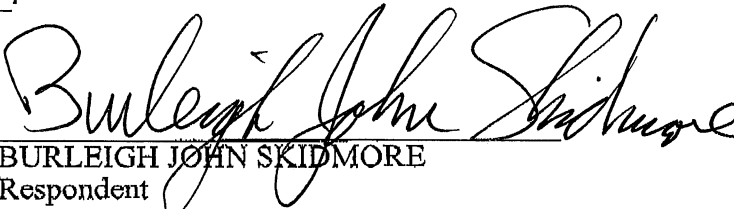
18   
19 GREGORY I. SALUTE  
20 Deputy Attorney General

21 Attorneys for Complainant

22 DOJ Matter ID: LA2005500873  
23  
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28

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2 knowingly, and intelligently, and agree to be bound by the Decision and Order of the California  
3 Board of Accountancy.

4 DATED: 3-17-06.

5  
6   
7 BURLEIGH JOHN SKIDMORE  
8 Respondent  
9

10 ENDORSEMENT

11 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
12 submitted for consideration by the California Board of Accountancy of the Department of  
13 Consumer Affairs.

14  
15 DATED: \_\_\_\_\_.

16 BILL LOCKYER, Attorney General  
17 of the State of California  
18

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20 Deputy Attorney General

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22 DOJ Matter ID: LA2005500873  
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CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

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BURLEIGH JOHN SKIDMORE  
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Santa Barbara, CA 93110

Certified Public Accountant Certificate No.  
32051

Respondent.

Case No. AC-2005-33

OAH No. L2005100425

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on June 23, 2006.

It is so ORDERED May 24, 2006.

  
\_\_\_\_\_  
FOR THE CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS



**Exhibit A**

**Accusation No. AC-2005-33**

BILL LOCKYER, Attorney General  
of the State of California  
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Attorneys for Complainant

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CALIFORNIA BOARD OF ACCOUNTANCY  
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In the Matter of the Accusation Against:

Case No. AC-2005-33

BURLEIGH JOHN SKIDMORE  
4482 Via Bendita  
Santa Barbara, CA 93110

**A C C U S A T I O N**

Certified Public Accountant Certificate No. CPA 32051

Respondent.

Complainant alleges:

**PARTIES**

1. Carol Sigmann (Complainant) brings this Accusation solely in her official capacity as the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs (Board).

2. On or about May 8, 1981, the Board issued Certified Public Accountant Certificate No. CPA 32051 to Burleigh John Skidmore (Respondent). The Certified Public Accountant Certificate was in full force and effect at all times relevant to the charges brought herein and expired on July 1, 2005.

**JURISDICTION**

3. This Accusation is brought before the Board, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise

1 indicated.

2 4. Section 5100 states, in pertinent part:

3 "After notice and hearing the board may revoke, suspend, or refuse to renew any  
4 permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5  
5 (commencing with Section 5080), or may censure the holder of that permit or certificate for  
6 unprofessional conduct that includes, but is not limited to, one or any combination of the  
7 following causes:

8 . . . .

9 "(c) Dishonesty, fraud, gross negligence, or repeated negligent acts committed in  
10 the same or different engagements, for the same or different clients, or any combination of  
11 engagements or clients, each resulting in a violation of applicable professional standards that  
12 indicate a lack of competency in the practice of public accountancy . . . ."

13 5. California Code of Regulations, title 16, section 58, provides that licensees  
14 engaged in the practice of public accountancy shall comply with all applicable professional  
15 standards, including but not limited to generally accepted accounting principles and generally  
16 accepted auditing standards.

17 6. Section 118(b) provides that the suspension / expiration / surrender /  
18 cancellation of a license shall not deprive the Board of jurisdiction to proceed with a disciplinary  
19 action during the period within which the license may be renewed, restored, reissued or  
20 reinstated.

21 7. Section 5109 states:

22 "The expiration, cancellation, forfeiture, or suspension of a license, practice,  
23 privilege, or other authority to practice public accountancy by operation of law or by order or  
24 decision of the board or a court of law, or the voluntary surrender of a license by a licensee shall  
25 not deprive the board of jurisdiction to commence or proceed with any investigation of or action  
26 or disciplinary proceeding against the licensee, or to render a decision suspending or revoking the  
27 license."

28 ///



1 FIRST CAUSE FOR DISCIPLINE

2 (Gross Negligence)

3 10. Respondent is subject to disciplinary action under section 5100(c) and  
4 California Code of Regulations, title 16, section 58, in that on the Sheedy project, Respondent  
5 committed an act of gross negligence for violating professional standards of practice by  
6 incorrectly preparing Internal Revenue Service Form 1120 for the fiscal year ending March 31,  
7 2002 (2001 IRS Form 1120) for Malibu Travel, Inc. Respondent prepared the tax return subject  
8 to tax rates as a regular C-Corporation when, pursuant to Internal Revenue Code sections 542  
9 and 543, its corporate income, subject to taxation was solely dividend and interest income, and  
10 subject to Personal Holding Company (PHC) corporation higher corporate tax rates.

11 SECOND CAUSE FOR DISCIPLINE

12 (Dishonest Acts)

13 11. Respondent is subject to disciplinary action under section 5100(c), in that  
14 Respondent committed acts of dishonesty when he over-billed Ms. Sheedy for tax return  
15 preparation services by misrepresenting his tax return preparation time as stated above in  
16 paragraph 9.

17 THIRD CAUSE FOR DISCIPLINE

18 (Repeated Acts)

19 12. Respondent is subject to disciplinary action under section 5100(c) in that  
20 Respondent's preparation of the Sheedy Project and billing thereof, as stated above in paragraphs  
21 9 through 11, also constitute repeated acts of negligence.

22 PRAYER

23 WHEREFORE, Complainant requests that a hearing be held on the matters herein  
24 alleged, and that following the hearing, the California Board of Accountancy issue a decision:

25 1. Revoking, suspending or otherwise imposing discipline upon Certified Public  
26 Accountant Certificate Number CPA 32051, issued to Burleigh John Skidmore;

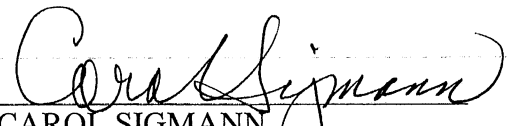
27 2. Awarding the Board costs as provided by statute;

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3. Taking such other and further action as may be required.

DATED: July 27, 2005



CAROL SIGMANN  
Executive Officer  
California Board of Accountancy  
Department of Consumer Affairs  
State of California

Complainant

LA2005500873  
AccusationAC-2005-33.wpd